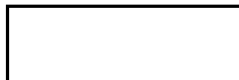


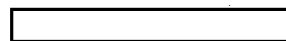
**TOP SECRET**

25X1



25X1

1 April 1960



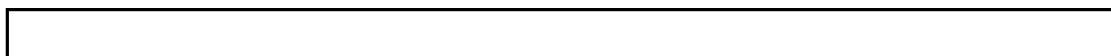
25X1

Copy No. C 70

# CENTRAL INTELLIGENCE BULLETIN



DOCUMENT NO. 20  
NO CHANGE IN CLASS. ☒  
☐ DECLASSIFIED  
CLASS. CHANGED TO: TS S C  
NEXT REVIEW DATE: 2010  
AUTH: HR 70-2  
DATE: 6 JUN 1980 REVIEWER: 25X1



25X1

State Dept. review completed

**TOP SECRET**

25X1

Approved For Release 2003/02/27 : CIA-RDP79T00975A005000280001-5

Next 1 Page(s) In Document Exempt

Approved For Release 2003/02/27 : CIA-RDP79T00975A005000280001-5

25X1

Approved For Release 2003/02/27 : CIA-RDP79T00975A005000280001-5

## CENTRAL INTELLIGENCE BULLETIN

1 April 1960

25X1

### DAILY BRIEF

#### I. THE COMMUNIST BLOC

*OK*  
Communist China: Peiping's 1960 economic plan and budget, presented to the opening session of the National People's Congress, reflect the regime's conclusion that the Chinese economy can continue to develop at "big leap" speed, although the pace will be somewhat slower than last year's. Industrial targets released so far seem within China's reach this year, but those for agriculture still appear unrealistically high. Increased attention is to be paid to agriculture during the year, but priority is still given to heavy industry. Direct budgetary spending on the military is to be maintained at the same level as last year. [REDACTED]

25X1

*NO*  
Communist China: Mao Tse-tung, whose health has sometimes been in question in recent years, seemed "physically robust and mentally keen" in mid-March. This was the conclusion of a group of Nepalese officials who talked with him for more than two hours. If he remains healthy, Mao is expected to continue to dominate the Chinese Communist party. [REDACTED]

25X1

25X1

25X1

25X1

25X1

Approved For Release 2003/02/27 : CIA-RDP79T00975A005000280001-5

## II. ASIA-AFRICA

OK  
25X1  
India - Communist China: In his talks with Chou from 19 to 25 April, Nehru reportedly will insist that Chou accept the principle that the border between India and Tibet has already been delimited. At the outset Nehru will also demand that Chinese troops evacuate the disputed Ladakh area of Kashmir. He is prepared, however, to agree to the continued presence of Chinese troops in the vicinity of the road they have built through Ladakh. Indian officials regard the meeting as only the first step in "several years" of negotiations over the border dispute.] [ ]

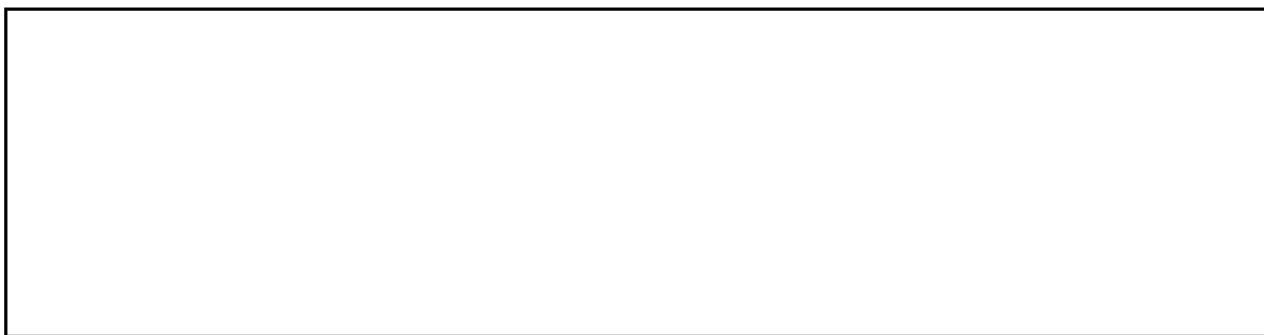
25X1

OK  
25X1  
South Africa: In commenting on the situation in South Africa, the American Embassy in Cape Town observes that African leaders are no longer thinking in terms of a very gradual revolution sometime in the future, and that the urban African population now is willing to follow leaders calling for direct action. In the strikes and demonstrations on 28 and 30 March, the Africans demonstrated to themselves and to the European minority their potential for disrupting South Africa's economic and political structure. [ ]

25X1

25X1

## III. THE WEST



## IV. SIGNIFICANT INTELLIGENCE REPORTS AND ESTIMATES

(Available during the preceding week)

Sino-Soviet Air Defense Capabilities through Mid-1965.  
NIE 11-3-60, 29 Mar 1960. [ ]

25X1

1 Apr 60 [ ]

ii

25X1

25X1

## I. THE COMMUNIST BLOC

### Chinese Communist Economic Planning

The 1960 economic plan and budget presented to the opening session of the National People's Congress demonstrate Peiping's satisfaction with the current state of the Chinese economy. Planning chief Li Fu-chun praised the economic policies followed in 1958 and 1959 and asserted that their success made it "objectively certain" that the economy could continue to be developed at "big leap" speed.

The 1960 economic plan calls for a 23-percent increase in the total value of industrial and agricultural output, as compared with the 31-percent increase claimed for last year. Steel output is to rise to 18,400,000 tons during the year, as against 13,300,000 tons last year. This level of steel production and goals for the pig-iron industry could be achieved, but only by expanding the output of small-scale furnaces, which turn out a product of limited utility.

On the other hand, the levels of production programed for agriculture again are beyond reach. Peiping, almost certainly incorrectly, claimed a 10-percent increase in grain and cotton output in 1959, despite widespread and damaging drought. The 1960 program calls for a 10-percent increase over the exaggerated 1959 claim.

The 1960 plan and budget devote only a small increase in resources to speeding up the development of agriculture. Investment in new construction is to increase by roughly one fifth, with emphasis on strengthening such "weak links" as railroads, electric power, and nonferrous metals. Direct budgeted spending on defense will be the same as in 1959 (the equivalent of \$2.36 billion) but will drop from 11 to 8.3 percent of total expenditures.

25X1

25X1

Approved For Release 2003/02/27 : CIA-RDP79T00975A005000280001-5

Approved For Release 2003/02/27 : CIA-RDP79T00975A005000280001-5

25X1

Nehru's Position in Forthcoming Talks With Chou En-lai

[Indian Prime Minister Nehru, in his discussions with Chinese Premier Chou En-lai in New Delhi from 19 to 25 April, reportedly will continue to insist on Chinese acceptance of the principle that the Indo-Tibetan border is already delimited. While also insisting initially that Peiping evacuate military forces from all the territory it holds in the Ladakh area of Kashmir, Nehru apparently is ready to concede Chinese troops the right to stay in the immediate vicinity of the road they built through the area.]

25X1

[Nehru reportedly has reassured President Prasad that no Indian territory will be surrendered. Legal problems arising from provisions of the Indian constitution and from Pakistan's claims to Kashmir would, in fact, make any formal cession of territory difficult. Nehru may feel that some form of joint Sino-Indian administration of Ladakh, not affecting Indian sovereignty, could provide an eventual solution.]

25X1

New Delhi is puzzled over reports that the Chinese expect the meeting to produce positive results, and there is concern that Peiping may be overestimating India's readiness to negotiate. [Nehru expects that the border problem will be discussed by the two prime ministers only "in principle," and that a joint commission will be established to consider detailed proposals.] Although Indian officials feel the Chinese are ready to make some concessions, they still anticipate "several years" of negotiations.

25X1

Chou, who has maneuverability denied Nehru by the latter's need to consider domestic public opinion, may make some dramatic offer such as the outright exchange of disputed areas in Assam and Ladakh. Peiping's bargaining position is based on the contention that actual jurisdiction establishes ownership and on its claim that the border has never been legally defined. Hence Chou is unlikely to agree to Nehru's contention that the border is delimited or to any significant reduction in Chinese control of the disputed Ladakh area.

25X1

25X1

25X1

Tension Rising in South Africa

African leaders are no longer thinking of a gradual revolution some time in the future, and the African urban population now is ready to follow leaders calling for direct action, according to the American Embassy in Cape Town. The embassy comments that in the strikes and demonstrations on 28 and 30 March, the Africans demonstrated to themselves and to the European minority their potential for disrupting South Africa's economic and political structure.

Most of the Union's Europeans have been united by the African threat to their hegemony; the United party, which controls the largest bloc of opposition seats in the South African Parliament, supported the Verwoerd government's declaration of a state of emergency. The government will probably combine police repression with a relaxation of some of the more onerous aspects of apartheid. This course now will not satisfy the non-whites, who reportedly have been encouraged by the suspension of the enforcement of the pass laws and by the forced evacuation of whites from some African townships during the riots of 28 March. The embassy believes that the long-term outlook is for further tests by the Africans of their strength, with frequent outbreaks of violence.

25X1

25X1

25X1



25X1

Approved For Release 2003/02/27 : CIA-RDP79T00975A005000280001-5

Approved For Release 2003/02/27 : CIA-RDP79T00975A005000280001-5

**THE PRESIDENT**

**The Vice President**

**Executive Offices of the White House**

Special Assistant for National Security Affairs  
Scientific Adviser to the President  
Director of the Budget  
Director, Office of Civil and Defense Mobilization  
Director, National Aeronautics and Space Administration  
Special Assistant for Security Operations Coordination  
Chairman, Board of Consultants on Foreign Intelligence Activities  
Special Assistant for Foreign Economic Policy  
Executive Secretary, National Security Council

**The Treasury Department**

The Secretary of the Treasury

**The Department of State**

The Secretary of State  
The Under Secretary of State  
The Under Secretary of State for Political Affairs  
The Deputy Under Secretary of State for Political Affairs  
The Deputy Under Secretary of State for Administration  
The Counselor  
Director, International Cooperation Administration  
The Director of Intelligence and Research

**The Department of Defense**

The Secretary of Defense  
The Deputy Secretary of Defense  
Assistant Secretary of Defense for International Security Affairs  
The Secretary of the Army  
The Secretary of the Navy  
The Secretary of the Air Force  
The Chairman, The Joint Chiefs of Staff  
The Director, The Joint Staff  
Chief of Staff, United States Army  
Chief of Naval Operations, United States Navy  
Chief of Staff, United States Air Force  
Commandant, United States Marine Corps  
Assistant to Secretary of Defense for Special Operations  
Director for Intelligence, The Joint Staff  
Assistant Chief of Staff for Intelligence, Department of Army  
Director of Naval Intelligence, Department of Navy  
Assistant Chief of Staff, Intelligence, Department of the Air Force  
Supreme Allied Commander, Europe  
Commander in Chief, Pacific

**The Department of Commerce**

The Secretary of Commerce

**Federal Bureau of Investigation**

The Director

**Atomic Energy Commission**

The Chairman

**National Security Agency**

The Director

**National Indications Center**

The Director

**TOP SECRET**

Approved For Release 2003/02/27 : CIA-RDP79T00975A005000280001-5

Approved For Release 2003/03/27 : CIA-RDP79T00975A005000280001-5

**TOP SECRET**